

REPORT TO: Executive (Transmodal Implementation)
Sub Board

DATE: 1st March 2007

REPORTING OFFICER: Operational Director – Major Projects

SUBJECT: NWDA Funding 3MG

WARDS: Ditton and Riverside

1.0 PURPOSE OF THE REPORT

1.1 The purpose of this report is to seek authority to enter into a Legal Agreement with the NWDA.

1.2 RECOMMENDATION: That

(1) Delegated authority be given to the Strategic Director for Environment in consultation with the *Council Solicitor* and the Executive Member for Planning Transportation Regeneration and Renewal be authorised to negotiate and conclude funding arrangements with the NWDA.

2.0 SUPPORTING INFORMATION

2.1 The Executive Board on 9th December 2004 (EXB162) adopted the Ditton Strategic Rail Freight Park Masterplan, now known as 3MG (the Mersey Multimodal Gateway). The NWDA supported the Masterplan and an in principle allocation of £3.5m towards its delivery. In the course of the past 12 months the Council has reached an agreement with the NWDA to increase that allocation to £4.5m. The NWDA have an allocation to 3MG in this financial year of £200k and an in principle allocation in future years for 07/08 £1.5m, 08/09 £1.5m and 09/10 £1.3m. Before the Council can draw down the £200k allocation this year, it has to enter into a contract with the NWDA by the 31st March 2007.

3.0 POLICY IMPLICATIONS

3.1 The Council adopted the Ditton Strategic Rail Freight Park (DSRFP) Masterplan in December 2004. The DSRFP programme is included in the Council's Corporate Plan, the Halton Partnership and Halton Borough Council Urban Renewal Strategy and Action Plan, and supports the Council's Urban Renewal corporate priority.

4.0 OTHER IMPLICATIONS

- 4.1 The Council has given a commitment to secure as much public funding to support the delivery of 3MG by working with its partners. This approach supports this commitment.

5.0 RISK ANALYSIS

- 5.1 There are risks to the Council in entering into the Contract with the NWDA and these same risks have under protest been acknowledged and have had to be accepted on the Widnes Waterfront Programme. In broad outline the risks are that minor breaches of the agreement (e.g. failures to provide or delays in providing information, performance reports and the like) can result in NWDA having the right not only to discontinue funding for the future but also to demand the return of 3MG funding received by the Council from NWDA prior to any breach of the agreement. This could have extremely serious consequences for the Council's services given that the maximum funding to be received under the agreement is £4.5m. The Council Solicitor will be advising on this agreement as with the Widnes Waterfront Agreement but all the indications are that NWDA will resist any changes that provide better protection for the Council. The Chief Executive feels that the benefits of the scheme outweigh the risks. This is a case where the funding to come from the NWDA is very substantial and where although it is regrettable it is not perhaps surprising that the funder would wish to place the risk with the organisation receiving the funding.

6.0 EQUALITY AND DIVERSITY ISSUES

Any Equality and Diversity implications arising as a result of the proposed action should be included.

7.0 REASON(S) FOR DECISION

8.0 ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

9.0 IMPLEMENTATION DATE

(NB 8.0, 9.0 AND 10.0 ONLY IF KEY DECISION)

10.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972

Document	Place of Inspection	Contact Officer
DSRFP Masterplan	Major Projects	Sally McDonald